

# EU Sanctions Restrictions: Ban on Employment in Russian Companies for EU Citizens and Residents

According to Council Regulation (EU) No 833/2014 of 31 July 2014, a list of services has been established that are prohibited from being provided to Russian legal entities. This list includes accounting, auditing, tax consulting, IT services, and several other sectors.

This ban primarily applies to European service providers. However, according to clarifications from the European Commission, the sanctions also extend to employees, including EU citizens and people residing in the EU.

Russian citizens in Latvia who hold a residence permit, as well as other individuals residing in the EU, must be aware that these sanctions strictly regulate their professional activities. Violating these rules can lead to serious consequences.

## **Prohibition on Employment in Russian Companies**

The European Commission has clarified that EU citizens and persons residing in the EU (including Russian citizens) are not allowed to work as employees of organizations registered in Russia if their activities involve providing prohibited services. The list includes:

accounting, auditing, bookkeeping.

tax consulting.

business, management, and public relations consulting.

architectural and engineering services.

legal consulting.

IT consulting.

marketing research and public opinion surveys.

technical testing and analysis.

advertising services.

enterprise management and industrial design and production software.

Thus, the sanctions prohibit EU citizens and individuals residing in the EU (such as Russian citizens holding a residence permit) from providing these services to companies registered in Russia, including as employees of such organizations.

## **Liability for Violating Sanctions**

Sanction restrictions are strictly regulated by the laws of EU member states. For example, under the Criminal Law of Latvia, violating sanctions imposed by international organizations and the Republic of Latvia can result in serious consequences, including:

imprisonment for up to four years.

short-term imprisonment (up to three months).

probation supervision.

community service.

a fine.

Russian citizens in Latvia who reside there on the basis of a residence permit should be particularly cautious. If they continue to be formally employed by Russian companies in the above-mentioned sectors, this will be classified as a violation of the sanctions regime and will have legal consequences.

Russian citizens in Latvia should also be aware that violating the sanctions regime may lead to the annulment of their residence permit or a refusal to issue a new one.

However, it should be noted that interested parties, such as Russian citizens in Latvia, may apply to the competent authorities for permission to provide certain services if it is necessary for ensuring the continuous operation of infrastructure, hardware, and software that are critically important for public health, safety, or environmental protection.



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